

**PUBLIC EMPLOYEES' RETIREMENT BOARD**  
**100 N Park**  
**Helena MT 59620**

**Board Legislative Committee Minutes**  
**Tuesday January 30, 2007**  
**1:30 PM**

Committee Members: Troy McGee and John Paull. Robert Griffith excused.

Staff: Roxanne Minnehan, Melanie Symons, Scott Miller, Kim Flatow,  
Kathy Samson, Barbara Quinn, MPERA.

Other Attendees: Terrence Smith, board member, by phone; Stephen Kologi, AMPRE.

**Public Comment** – *No public comment.*

**Approval of Committee Minutes** from meeting of Tuesday, January 23, 2007.

Mr. McGee made a motion to approve the minutes; Mr. Paull seconded the motion. Minutes approved.

**Executive Director's Report**

HB159 (PERBs funding) still sitting with the House State Admin committee, there has been no executive action. Himmelberger will request that HB131 (Gov funding) and HB63 (TRS funding) be moved from the Appropriations committee to the State Admin committee. Dave Senn thought HB125 (DC Loan) might be moved to the State Admin committee also. Mr. Miller is working with Rep. Kasten. HB129 (general revisions) has passed the House and was moved to the Senate on January 24<sup>th</sup>.

**Bill Review**

HB67 and HB70 moved from the House to the Senate. Both of these bills concern administrative rules.

HB81 (TRS general revisions) moved from the House to the Senate.

HB125 will either ask for a hearing or to be moved to the State Admin committee.

HB129 moved from the House to the Senate.

HB159 still in the House State Admin committee with no action.

HB13 - State pay plan. There is a hearing on Feb 2 in the House Appropriations committee.

HB108 - State withholding for pensions, annuities, and other deferred income. This bill was heard on January 12<sup>th</sup> in the Taxation committee and the bill was tabled.

HB163 - Bill on lobbying. Nothing to report.

HB293 - Bill on lottery money. MPERA was there. General feeling was a dislike of mixing money and not enough money to matter. TRS made a statement to point out that they have never received lottery money.

SB11 – PERS exemption for legislative session staff. Heard on January 24<sup>th</sup>. They say they will fix the time to file the election to be consistent with the exemption time.

SB71 – Revise bill sponsor notification for administrative rules. The bill has passed the Senate and is moved to the House.

SB72 – Require Senate Confirmation of PERB nominations. The bill has passed the Senate and is moved to the House. PERB is neutral.

SB168 – Transfers public employee accrued leave into post-retirement health care account. This bill is assigned to the State Admin Committee. MPERA was there as informational testimony on January 24<sup>th</sup>. This bill may need a retirement fiscal note. The PERB is informational.

SB175 – Prohibits application of rule until the rule is effective as law. The bill is assigned to Senate State Admin committee. This bill had its 3<sup>rd</sup> reading in the Senate on January 30<sup>th</sup>. PERB is informational.

SB176 – Recovery of expenses for challenging rule adopted in violation of MAPA. It is thought that any penalties resulting from this bill would be charged to the operating expenses. This bill is assigned to the Senate State Admin committee. This bill was heard on January 29<sup>th</sup> and the sponsor requested to table the bill. She realized that it could cause numerous challenges.

SB177 – Extend time to challenge agency actions. This bill is before the Senate State Admin committee. DOA stood in support of this bill. It passed the committee nine to zero.

SB197 – Divestiture of investments in terrorist nations. Carroll South of the Board of Investments asked that we take a stand against this bill. This bill is assigned to Senate Finance and Claims committee. The bill was tabled at the January 23<sup>rd</sup> hearing.

SB247 – Removes the 5% cap on the minimum benefit adjustment for the highway patrol officers. This bill is before the Senate State Admin committee and will be heard on January 29<sup>th</sup>. They are proposing to amend the bill to have a 10 percent cap instead of the 5 percent cap. The committee will probably request a revised fiscal note. The PERB is opposing due to no funding.

### **Un-Introduced Legislation**

All un-introduced legislation is being monitored.

LC13 – Mandatory DC plans.

LC17 - Index contribution to retirement system.

LC18 – Thirty year actuarial funding.

LC21 – Annual actuarial valuations.

LC24 – Retirement system reports on actuarial costs.

LC214 – Generally revise PERS and TRS. This is in the works and the draft is being worked on by Bohyer for Sen. Barkas. They would have the rule of 80 replace the 30 years, other qualifications apply.

LC976 – Increase retirement income exclusion on state income tax.

LC991 – Revise post retirement benefit increases for statewide police retirement system (Frank Cole bill). Sponsored by Carolyn Squires. Includes an ad hoc \$500 permanent adjustment to certain retirees before 1991 and increases the GABA from 3% to 5% for all police that have chosen GABA. MPERA will be giving information for the section for a legislative appropriation. Leapfrogging and a prohibitive cost will mean the PERB will oppose.

LC1042 – Retirement fund for certain school board trustees.

LC1405 – Gallik is the sponsor but not aware that he had the placeholder and did not know content.

LC1817 – Allow organization dues to be withheld from retirement benefit, then paid to org. This bill is being pushed by a HP retiree. Bill includes annual elections to have dues taken out if the membership is at least ½ the membership of the system. The committee made a motion for the PERB to oppose.

LC1966 – Revise pension plans for new hires. Nothing known about this bill.

LC2220 – Authorize national guard firefighters to transfer from PERS to FURS. The backers of this bill are planning on federal money to fund the cost. Would affect Billings, Belgrade, Missoula and MANG. Lobbyists should find Gebhardt and ask about bill.

LC2425 - Revise retirement benefit for volunteer firefighters. To bring up all to \$225 monthly benefit or bring up those in the gap (between the 2003 and 2005 legislation).

### **Other Business**

Ms. Minnehan discussed an amortization table that was received from the actuary.

There being nothing else to come before the committee, Mr. Paull, Acting Chair, adjourned the meeting at 2:35 pm.